

Protects taxpayer dollars from being spent on unwarranted bonuses

Washington, DC - Congressman John Adler (D-NJ-03), a member of the Financial Services Committee, announced today that he will support legislation that would limit some executive compensation pay by companies that have received taxpayer dollars. The Pay for Performance Act would prohibit any compensation payments that are unreasonable or excessive and restrict all bonuses that are not based on performance.

"New Jersey families pay too much in taxes to accept a system that sends their hard-earned money to pay someone else's extravagant salary and bonus," Congressman Adler said. "We need to address this issue swiftly to protect taxpayers. Our country is struggling with an economic crisis, and bank executives should not be reaping the benefits. This is one step of many that we must take to ensure government and corporate transparency, and protect taxpayer dollars."

The bill adds new compensation/bonus restrictions to Fannie Mae, Freddie Mac, and financial institutions that have received a direct capital investment under the Troubled Asset Relief Program (TARP). Until the funds are repaid, corporate recipients of taxpayer dollars would be prohibited from:

Paying any executive or employee any compensation that is "unreasonable or excessive," as defined in standards established by the Treasury Secretary.

Paying any bonus or other supplemental payment that is not directly based on performance-based standards set by the Treasury Secretary.

For additional information on the Pay for Performance Act or to schedule an interview with Congressman Adler, please call Kathryn Prael at 202-225-4765.

Congressman John Adler Supports Legislation to Tie Bonuses to Job Performance

Wednesday, 01 April 2009 00:00
